BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	)	
	)	
Rules and Policies Concerning Attribution of Joint Sales Agreements in Local Television Markets	)))	MB Docket No. 04-256
	)	
To: Commission's Secretary, Office of the Secretary Attn: Chief, Video Division, Media Bureau	))	

COMMENTS OF FISHER BROADCASTING COMPANY

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Dated: October 27, 2004

Summary

Contrary to the Commission's assertions in the NPRM, there is simply no reason to attribute television JSAs. It has been Fisher Broadcasting Company's experience in the markets where it operates television stations that the Commission's competition and diversity concerns in this area are misplaced, particularly in smaller markets. As an initial matter, television JSAs involve only the sale of advertising time and have nothing to do with the provision of programming or with decisions related to other core operations of stations. Specifically, JSAs are typically structured to exclusively outsource sales and do not interfere with the brokered station's autonomy in selecting, developing, acquiring, and broadcasting all programming. This is particularly true with respect to small market stations. Most such stations are affiliated with a national television network and their programming is largely determined by their network relationship, not a JSA broker. Consequently, small market JSAs do not raise the diversity or competition concerns that are the principal focus of the Commission regulations in this area.

The marketplace realities that exist in small-sized markets further compel the conclusion that the Commission should not attribute television JSAs as JSAs are necessary to ensure the continued viability of television stations in those markets. Small market stations operate on much smaller margins and have substantially fewer sources of revenue than those stations in larger markets. Thus, in order to remain successful in small television markets, these stations must rely heavily on JSAs to pool resources and reduce operating expenses. Denying small market stations the opportunity to increase efficiency and profitability is certainly contrary to the public interest. Indeed, such a denial will result in stations in some small markets being forced to go off the air. In short, the ability to enter into JSAs is essential to ensuring that smaller broadcasters are able to compete in today's media marketplace.

Moreover, despite the Commission's assertions in the *NPRM* to the contrary, television and radio JSAs involve fundamentally distinct economic models and the anticompetitive factors the Commission perceived in the radio market warranting attribution of JSAs are not present in the television market. For instance, radio stations are more dependent on local advertisers than are television stations, and accordingly, the Commission's concern for potential anticompetitive conduct by local television stations operating pursuant to JSAs is less warranted. Additionally, television stations air more network programming than radio stations because of the costs associated with local news programming in television. Television stations, unlike radio stations, also compete more directly for audience share with non-broadcast programming provided over cable and satellite systems, lessening concerns regarding potentially anticompetitive conduct. Therefore, JSAs and their impact on radio and television markets are not the same.

Should the Commission nevertheless remain concerned that television JSAs place brokering stations in a position of exercising undue influence over brokered stations, the Commission should maintain its present policy of analyzing JSAs on a case-by-case basis.

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To: Commission's Secretary, Office of the Secretary
Attn: Chief, Video Division, Media Bureau

COMMENTS OF FISHER BROADCASTING COMPANY

Fisher Broadcasting Company ("FBC"), by its attorneys, hereby submits these comments in response to the above-captioned Notice of Proposed Rulemaking ("*NPRM*"), inviting comment on whether same-market television joint sales agreements ("JSAs") should be attributable if more than 15 percent of the sales are brokered.[1] FBC has a long history in broadcasting, tracing back to 1926, and currently controls eight television stations in small markets in the Pacific Northwest.[2] As a result, FBC has considerable experience with the realities of operating small market television stations. While FBC is not a party to any television JSA, it strongly believes that the Commission should refrain from treating television JSAs as

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1 *In the Matter of Rules and Policies Concerning Attribution of Joint Sales Agreements in Local Television Markets*, FCC 04-173 (August 2, 2004). *See also* 69 Fed. Reg. 52464 (August 26, 2004).

2 These stations are: KVAL-TV, Eugene, Oregon; KCBY-TV, Coos Bay, Oregon; KIMA-TV, Yakima, Washington; KEPR-TV, Pasco, Washington; KLEW-TV, Lewiston, Idaho; KBCI-TV, Boise, Idaho; KIDK(TV), Idaho Falls, Idaho; and KPIC-TV, Roseburg, Oregon. In addition, FBC controls two major-market television stations, KOMO-TV, Seattle, Washington and KATU(TV), Portland, Oregon.

attributable interests, particularly in small markets where such attribution would be inconsistent with market realities and the public interest.

In the *NPRM*, a JSA is defined as "an agreement with a licensee of a brokered station that authorizes a broker to sell some or all of the advertising time for the brokered station in return for a fee or percentage of revenues paid to the licensee."[3] According to the Commission, it issued the *NPRM* because JSAs "may reduce a licensee's incentive to select programming and oversee operations of the station whose ad time is brokered."[4] Underlying this unnecessary concern is the Commission's presumption in the *NPRM* that television and radio JSAs are substantively similar. In its recent 2002 Biennial Review proceeding, the Commission determined that radio JSAs allow brokering stations to control the programming and core operations of brokered stations and lead to the exercise of monopoly power by brokering stations.[5] Based on this conclusion in the radio JSA context, the Commission indicates in the *NPRM* that it believes brokering TV stations exercise similar influence over the brokered television's programming decisions and suggests that brokering television stations may exercise market power, raising diversity and competition concerns, if television JSAs remain unattributable.[6]

As discussed below, the Commission's concerns regarding television JSAs are misplaced, particularly in small markets.[7] As an initial matter, television JSAs involve only the sale of

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3 *See NPRM*, at ¶ 1.

4 *Id.*, at ¶¶ 13, 15.

5 *In the Matter of 2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, 18 FCC Rcd 13620, at ¶ 17 (2003) ("*2002 Biennial Review*").

6 *See NPRM* at ¶ 15.

7 For the purposes of these Comments, FBC defines a "small market" as a market ranked number 100 and above.

advertising time and have *nothing* to do with the provision of programming or with decisions related to other core operations of stations. This is particularly true with respect to small market stations. Most such stations are affiliated with a national television network and their programming is largely determined by their network relationship, not a JSA broker. Thus, small market JSAs do not raise the diversity or competition concerns that are the principal focus of the Commission regulations in this area.

Moreover, the anticompetitive factors the Commission perceived in the radio market warranting attribution of JSAs are not present in the television market. This is particularly true in smaller television markets where JSAs are necessary to ensure the continued viability of television stations in those markets. In fact, television JSAs enhance programming diversity and increase competition in local markets. Accordingly, the Commission should not attribute television JSAs.

Discussion

I. CONTRARY TO THE COMMISSION'S ASSERTIONS IN THE NPRM, THERE IS SIMPLY NO REASON TO ATTRIBUTE TELEVISION JSAs

A. JSAs Promote Diversity and Competition in Television Markets

In the *NPRM*, the Commission asserts that television JSAs are contrary to the public interest because they permit brokering stations to control the programming and core operations of brokered stations.[8] This is not the case as JSAs deal exclusively with advertising and have nothing to do with programming. The Commission itself has long recognized that JSAs do not raise programming diversity or competition concerns. Indeed, as recently as 1999 the

8 *NPRM* at ¶¶ 13, 15.

Commission sought and received extensive comment on its attribution rules.[9] In the resulting *Attribution Order*, the Commission explicitly stated: "After weighing competition, diversity, and administrative concerns, we decline to impose new rules attributing JSAs as long as they deal primarily with the sale of advertising time and *do not* contain terms that affect programming or other core operations of the stations such that they are, in fact, substantively equivalent to LMAs."[10]

Despite this recent finding that was based on a comprehensive record, the Commission inexplicably is again seeking comments with respect to the attribution of television JSAs. While the Commission has the discretion to change its mind, it must explain why it is reasonable to do so.[11] The Commission was recently reminded of this obligation in *Fox Television Stations, Inc. v. FCC,* 280 F.3d 1027 (D.C. Cir. 2002) ("*Fox*"), in which the U.S. Court of Appeals for the District of Columbia Circuit remanded a decision where the Commission failed to adequately explain its departure from a previously held position. The Court noted: "So long as the reasoning of the 1984 Report stands unrebutted, the Commission has not fulfilled its obligation, upon changing its mind, to give a reasoned account of its decision."[12] Here, the Commission's *NPRM* has completely failed to point to any evidence justifying the attribution of television JSAs and provides no explanation regarding why it is now considering a rejection of the reasoned conclusions it reached in the *Attribution Order* when it refused to attribute television JSAs.

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9 *Review of the Commission's Regulations Governing Attribution of Broadcast and Cable/MDS Interests; Review of the Commission's Regulations and Policies Affecting Investment in the Broadcast Industry; Reexamination of the Commission's Cross-Interest Policy, Report and Order*, 14 FCC Rcd 12559 (1999) ("*Attribution Order*") at ¶ 122.

10 *Id.* at ¶ 123.

11 *See Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins. Co*., 463 U.S. 29 (1983).

12 *Fox* at 1045.

This failure is not surprising given that there is no reason for the Commission to attribute television JSAs. It has been FBC's experience in its markets that television JSAs are typically structured to exclusively outsource sales and do not interfere with the brokered station's autonomy in selecting, developing, acquiring, and broadcasting all programming. Therefore, the concerns over loss of diversity and competition that potentially exist when a licensee contracts with another party to program its station – an LMA or TBA, for example – are not present here. Indeed, the revenue saved through television JSAs leads to increases in the affordability of better quality local programming and is a key factor in enabling television stations to remain financially competitive. The Commission itself recognized this fact in its *Attribution Order* where it found that, "some JSAs may actually help promote diversity by enabling smaller stations to stay on the air."[13] Consequently, the programming diversity and competition concerns underpinning the Commission's attribution rules are in no way compromised by television JSAs.

To the extent that competition issues arise they are better suited for antitrust review by the Department of Justice ("DOJ").[14] As JSAs only affect advertisers, the DOJ, not the Commission, is the appropriate forum for review of competition rules in this area. Even if the Commission were the appropriate agency to address concerns about whether the brokering station would exercise market power, which it is not, it will find those concerns more hypothetical than real. Often, the combined revenue of the broker and brokered station are significantly less than the market leaders. For example, in Boise, Idaho, which has five full-power commercial stations and is the 123rd-ranked DMA, the dominant station KTVB-TV, an

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13 *See Attribution Order* at ¶ 122.

14 For example, The Newspaper Preservation Act permits newspapers to submit their joint operating agreements to the DOJ on a case by case basis for antitrust review and approval prior to their effective dates. *See* 28 C.F.R. §§48.1-16 (2003).

NBC affiliate, has a 40 percent share of the advertising revenue in the market.[15] However, if the next two revenue leaders, KBCI-TV and KTRV, were to combine sales using a JSA, their *collective* advertising share would be less than that of KTVB-TV alone.[16] Thus, the Commission's general presumption that television JSAs are anticompetitive is wrong, and the Commission cannot use that presumption as a basis to justify its proposed attribution rule.

B. JSAs Are Particularly Necessary to Foster Programming Diversity and Competition in Smaller Markets

The marketplace realities that exist in small-sized markets further compel the conclusion that the Commission should not attribute television JSAs. For example, FBC owns and operates station KIMA-TV in Yakima, Washington (the 127th-ranked DMA), where the average revenue of the top four stations is $5.5 million with approximately 15,400 television households per full-power station.[17] Similarly, FBC owns station KIDK-TV in Idaho Falls, Idaho (the 164th-ranked DMA), where the average revenue of the top four stations is $3.0 million and with approximately 15,700 television households per full-power station.[18] By contrast, in larger markets such as Los Angeles, California, the average revenue of the top four stations is $224.0 million, and there are approximately 207,700 television households per full-power station.[19] As these figures suggest, small market stations operate on much smaller margins and have substantially fewer sources of revenue than those stations in larger markets. Thus, in order to remain successful in small

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15 *See* Attachment 4, BIA Investing in Television 2004 Market Report 1st Edition (February 2004).

16 *Id.*

17 *See* Attachment 1, BIA Investing in Television 2004 Market Report 1st Edition (February 2004).

18 *See* Attachment 2, BIA Investing in Television 2004 Market Report 1st Edition (February 2004).

19 *See* Attachment 3, BIA Investing in Television 2004 Market Report 1st Edition (February 2004).

television markets, these stations must rely heavily on JSAs to pool resources and reduce operating expenses.

Furthermore, as the Commission is fully aware, over and above the anticipated costs associated with operating a television station, all television stations in markets large and small are now required to incur the costs related to the digital television ("DTV") transition. These substantial costs are the same whether a station is located in a small or large market even though small market stations operate on much smaller margins than those stations located in large markets. According to a 2002 survey conducted by the U.S. General Accounting Office, transitioning DTV stations estimate the average costs of building DTV to be $2.3 million.[20] Additionally, transitioning stations expect their *monthly* energy costs to increase by at least $6,000 once they begin to operate a digital channel.[21] Thus, where larger stations have the revenue necessary to absorb the aforementioned costs, smaller stations will be at a considerable disadvantage if they are unable to enter into cost-saving and efficiency-enhancing JSAs.

In addition, small market stations are at a distinct economic disadvantage compared to their large market counterparts with respect to their network affiliation agreements. For network affiliates, a large portion of each day, including a substantial percentage of prime advertising time, is controlled by the network which generally retains the right to sell substantial portions of time, often in the range of 50 to 80 percent of time contained within network programs. Traditionally, the networks would compensate their affiliates with a set fee in return for giving up this time. Recently, the networks have reduced all compensation levels and eliminated this compensation scheme for many small market broadcasters. This has had a disproportionately

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20 *Many Broadcasters Will Not Meet May 2002 Digital Television Deadline*, GAO 02-466, p. 17 (April 2002).

21 *Id.* at 55.

adverse impact on small market stations as the fee constituted a much higher percentage of overall revenue for small market stations than it did for stations in larger markets. Thus, while costs for small market stations have continued to increase, the loss of this source of revenue and the failure of advertising sales to increase commensurately have left many small market television stations with no choice but to combine sales operations pursuant to JSAs.

These marketplace realities are entirely consistent with the Commission's conclusion in its *Attribution Order* where the Commission expressly made the point that JSAs "may actually help promote diversity by enabling smaller stations to stay on the air."[22] Indeed, the efficiencies generated by JSAs permit smaller television stations to survive while at the same time retaining local control over their programming.[23] The ability to enter into JSAs is essential to ensuring that smaller broadcasters are able to compete in today's media marketplace. In light of the public outcry against homogenization of programming and the Commission's compelling concern with localism, JSAs should be celebrated for permitting less profitable television stations to compete without sacrificing editorial control over their programming, based on the significant cost benefits associated with JSAs in smaller television markets.

Finally, the current local television multiple ownership rules illustrate why the attribution of television JSAs in small markets is illogical. In a market such as Yakima, Washington, where there are only 4 full-power commercial television stations, attribution of television JSAs would be equivalent to making them unlawful as the Commission's ownership rules preclude television duopolies amongst the top four stations in the DMA.[24] Indeed, no duopolies exist in the Yakima

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22 *Attribution Order* at ¶ 122.

23 *See* Section II, *infra*.

24 *See* Attachment 1, BIA Investing in Television 2004 Market Report 1st Edition (February 2004).

(the 27th-ranked DMA), or Boise (the 123rd –ranked DMA), where FBC owns a single station in each market.[25] Therefore, stations like FBC's KIMA-TV in Yakima, would be forced to forego possible JSA opportunities that would increase its efficiency and profitability, and instead, would potentially suffer significant financial harm due to the rising costs associated with the station's backroom operations. Denying small market stations the opportunity to increase efficiency and profitability is certainly contrary to the public interest. Indeed, such a denial will result in stations in some small markets being forced to go off the air. Pursuant to the Communications Act of 1934, as amended, the Commission is charged with ensuring equal access to local television, yet the inevitable consequence of television JSA attribution would be to leave smaller markets less served.[26] Under these circumstances, the Commission must not attribute television JSAs.

II. DESPITE THE COMMISSION'S CLAIMS TO THE CONTRARY, TELEVISION AND RADIO JSAs INVOLVE FUNDAMENTALLY DISTINCT ECONOMIC MODELS

In its *2002 Biennial Review*, the Commission decided to attribute radio JSAs toward the brokering licensee's permissible ownership totals.[27] The Commission's decision was largely based on its concerns that radio JSAs would eliminate competition in local radio markets under the then-existing rules.[28] Incorrectly assuming that no distinction between radio and television

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25 *See* Attachment 1 and Attachment 4, BIA Investing in Television 2004 Market Report 1st Edition (February 2004). *See also* 47 C.F.R 73.3555(b) (2003).

26 *See* 47 U.S.C. §151 (2003).

27 *See 2002 Biennial Review* at ¶ 317.

28 *See id.* at ¶¶ 317-319.

JSAs exists, the Commission currently proposes in the *NPRM* that television JSAs suffer the same fate.[29]

The Commission, however, has not offered any evidence in the *NPRM* that the radio market and television market are the same and warrant identical treatment. In fact, radio and television are very different and are based upon distinct economic models. For instance, radio stations are more dependent on local advertisers than are television stations, and accordingly, the Commission's concern for potential anticompetitive conduct by local television stations operating pursuant to JSAs is less warranted. Television stations, unlike radio stations, also compete more directly for audience share with non-broadcast programming provided over cable and satellite systems, lessening concerns regarding potentially anticompetitive conduct. Additionally, television stations air more network programming than radio stations which is primarily based on the costs associated with local news programming in television. According to a report issued by the National Association of Broadcasters in 2002, profits for smaller market stations are 30% greater if stations substitute syndicated programs for locally produced programming.[30] The increasing costs of producing local news and programming are regrettably driving many broadcasters away from truly embracing their localism obligations. This is of paramount concern today given the Commission's recent Notice of Inquiry requesting that broadcasters demonstrate their commitment to localism.[31]

Moreover, JSAs and their impact on radio and television markets are not the same. Significantly, the Department of Justice, which analyzes JSAs and other contractual relationships

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29 *See NPRM*, at ¶ 2.

30 *The Declining Financial Position of Television Stations in Medium and Small Markets*, National Association of Broadcasters (December 2002).

31 *See Broadcast Localism Notice of Inquiry*, FCC 04-129 (July 1, 2004).

for antitrust purposes, specifically declined in a prior related proceeding to make the presumption that radio and television markets should be treated the same for ownership/attribution purposes.[32] The DOJ reached this conclusion based on the fact that the competitive environment in radio that led to the Commission's decision to attribute radio JSAs is much different than which exists in television. In fact, according to a 2002 Media Bureau study, the overall number of radio station owners declined 34% since March 1996, resulting in 50 radio station owners with 20 or more stations, compared to only 25 owners of 20 or more stations in 1996.[33] Indeed, even the smallest radio station markets (those ranked 101-285) experienced a 34% decline in the number of owners but saw a 15% increase in the number of stations.[34] While FBC takes no position with respect to the Commission's actions attributing radio JSAs, these trends, which are unlike those in television markets, played a significant role in the Commission's decision to attribute radio JSAs.

As noted previously, television duopolies may even be impossible depending on the size of the market. Consequently, small market television stations are not using JSAs as a means to expand their reach in their markets, but rather as a means of being more efficient. Thus, small market television stations should continue to be able to enter into JSAs without suffering the unnecessary penalty of attribution, in order to ensure continued profitability and provide additional and better quality local programming, consistent with the Commission's goal of fostering localism. For the Commission to conclude otherwise and attribute television JSAs will severely undermine diversity and competition, particularly in smaller television markets.

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32 *See* Letter to William F. Caton, Secretary of the FCC, from the Department of Justice, MM Docket Nos. 94-150 *et al*., at 5 n.2 (May 8, 1997) ("DOJ Letter").

33 *Radio Industry Review 2002: Trends in Ownership, Format and Finance*, George Williams & Scott Roberts, Media Bureau, FCC, Appendix B (September 2002).

34 *Id.*

III. IF THE COMMISSION DECIDES TO ATTRIBUTE TELEVISION JSAs, IT SHOULD MAINTAIN ITS POLICY OF REVIEWING SUCH JSAs ON A CASE-BY-CASE BASIS

Should the Commission nevertheless remain concerned that television JSAs place brokering stations in a position of exercising undue influence over brokered stations, the Commission should maintain its present policy of analyzing the particular JSA on a case-by-case basis. To facilitate the Commission's evaluation of JSAs, the Commission should adopt policies, based on established precedent, that make clear which JSAs will not be attributable. For example, the policies could provide that a licensee must retain an economic incentive in the success of its programming.[35] There are a myriad other ways to structure and arrange JSAs to ensure that competition is fostered and not stifled. Therefore, it is inappropriate to conclude that *all* JSAs receive blanket treatment without considering *each* JSA's ability to further diversity and competition in their respective markets. Basic policies such as these would serve to eliminate the Commission's primary concerns regarding a brokered station's supposed incentive to control programming and would eviscerate any perceived need to attribute television JSAs.

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35 *See, e.g., Shareholders of the Ackerley Group, Inc. (Transferor) and Clear Channel Communications, Inc. (Transferee) For Transfer of Control of the Ackerley Group, Inc., and Certain Subsidiaries*, 17 FCC Rcd 10828 at ¶¶ 28-33 (2002).

Conclusion

For the above-mentioned reasons, FBC respectfully requests that the Commission refrain from attributing television JSAs.

Respectfully submitted,

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Dated: October 27, 2004

ATTACHMENT 1

BIA fn

Yakima-Pasco-Richland-Kennewick, WA Market Overview

DMA Rank: 127
BIA Revenue Rank: 138

Demographic and Economic Overview

(000s, except Retail Sales and EBI in $000,000s)

	1998	2003	Growth Rate	2003	2008	Growth Rate
DMA Population	542	593	1.8%	593	627	1.1%
Households	195	205	1.0%	205	214	0.9%
Retail Sales	NA 1/	6,715	NA 1/	6,715	7,837	3.1%
EBI 2/	7,961	9,026	2.5%	9,026	10,673	3.4%

Pop Rank # 123	TV Households 201	White 75.2%	Avg Household	$ 43,989
HH Rank # 127	DMA Cable 55%	Black 1.2%	Per Capita	$ 15,215
RS Rank # 122	DMA ADS 27%	Asian 1.6%	Hispanic Origin	25.9%
EBI Rank # 123	DMA VCR 89%		DMA Counties	6

Market Television Financials

(all figures in 000's, except percentages and ratios)

ESTIMATED GROSS REVENUES ★★★

1998	1999	2000	2001	2002	2003	Δ 98 - 03
$21,400	$21,800	$23,800	$19,200	$20,200	$20,900	-0.5%

Δ 02 - 03	2004	2005	2006	2007	2008	Δ 03 - 08
3.9%	$22,400	$22,600	$24,200	$24,500	$26,400	4.8%

Estimated Breakouts	% Network	% Natl/Regl	% Local
	3.7%	42.1%	54.2%

	1998	2003	2008
Revenue/Retail Sales	NA 1/	$3.11/1,000	$3.37/1,000
Revenue/Capita	$39.48	$35.24	$42.11

Yakima-Pasco-Richland-Kennewick, WA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	DTV Ch	LMA	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '03 Revenue (000) 3/	Est Power Ratio	Avg '03 LCS	Feb 04	Nov 03	Jul 03	May 03	Feb 03	Nov 02	Jul 02	May 02
KAZW-TV	Walla Walla	9	316	1,431			IND		Pappas Telecasting	01	0212	3,000c1											
KNDO	Yakima	23	501	961	•16		NBC	TelRp	Cowles Publishing	59	9907	22,250c1	4,900	0.84	28%	12	11	9	10	12	11	9	12
KIMA-TV	Yakima	29	490	971	•33		C&P	KatzT	Fisher Bcstg Co	53	9906	g1	7,200	0.98	35%	14	15	11	12	15	14	10	12
KAPP	Yakima	35	646	961	14		ABC	HRP	Morgan Murphy Stns	70			4,400	0.92	23%	9	10	7	7	10	11	7	9
KLEW-TV	Lewiston	3	56	1,260	•32		C&P	KatzT	Fisher Bcstg Co	55	9906	g1											
KFFX-TV	Pendleton	11	316	1,549	• 8		FOX	Mllmn	Northwest Bcstg Inc	86	0011	240											
KEPR-TV	Pasco	19	490	1,201	•18		C&P	KatzT	Fisher Bcstg Co	54	9906	g1											
KNDU	Richland	25	661	1,348	•26		NBC	TelRp	Cowles Publishing	61	9907	c1											
KVEW	Kennewick	42	501	1,280	•44		ABC	HRP	Morgan Murphy Stns	70													
K60EB	Yakima	39	25 cp	627			IND		Bevins, Ron	90													
KCYU-LP	Yakima	41	25 cp	522			FOX	Mllmn	Northwest Bcstg Inc	89	9512	g	3,800	1.40	13%	4	5	5	5	5	4	4	6
K43GY	Yakima	43	19 cp	676			INS		Bevins, Ron	90			600										
KWYP-LC			1				WB			98													
•KTNW	Richland	31	71 cp	1,270	•38		PBS		Wash State Univ	88													
•KYVE	Yakima	47	646	919	•21		PBS		KCTS Television	62	9408												
															TOTAL	39	41	32	34	42	40	30	39
															HUT %	33	36	32	30	34	32	30	30

SHARE SUMMARY 9:00 AM - MIDNIGHT (%) (Feb 04 through May 02 columns)

1/ Estimate not available. See page 6. 2/ EBI estimates are for previous year than noted in column header. 3/ See introduction section for interpretation of revenue estimates.

ATTACHMENT 2

BIA fn

Idaho Falls-Pocatello, ID Market Overview

DMA Rank: 164
BIA Revenue Rank: 169

Demographic and Economic Overview

(000s, except Retail Sales and EBI in $000,000s)

	1998	2003	Growth Rate	2003	2008	Growth Rate
DMA Population	299	322	1.5%	322	335	0.8%
Households	100	112	2.3%	112	119	1.2%
Retail Sales	NA 1/	3,991	NA 1/	3,991	4,596	2.9%
EBI 2/	3,994	4,826	3.9%	4,826	5,849	3.9%

Pop Rank # 162	**TV Households**	110	**White** 90.7%		**Avg Household**	$ 43,179
HH Rank # 163	**DMA Cable**	43%	**Black** 0.4%		**Per Capita**	$ 15,003
RS Rank # 158	**DMA ADS**	38%	**Asian** 0.8%		**Hispanic Origin**	8.0%
EBI Rank # 161	**DMA VCR**	94%			**DMA Counties**	14

Market Television Financials

(all figures in 000's, except percentages and ratios)

ESTIMATED GROSS REVENUES ★★

1998	1999	2000	2001	2002	2003	Δ 98 - 03
$11,600	$11,100	$11,900	$10,700	$11,500	$12,000	0.7%
Δ 02 - 03	**2004**	**2005**	**2006**	**2007**	**2008**	**Δ 03 - 08**
4.3%	$12,900	$13,000	$13,900	$14,100	$15,100	4.8%

Estimated Breakouts	% Network	% Natl/Regl	% Local
	7.4%	44.8%	47.8%

	1998	2003	2008
Revenue/Retail Sales	NA 1/	$3.01/1,000	$3.29/1,000
Revenue/Capita	$38.80	$37.27	$45.07

Idaho Falls-Pocatello, ID Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	DTV Ch	LMA	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '03 Revenue (000) 3/	Est Power Ratio	Avg '03 LCS	Feb 04	Nov 03	Jul 03	May 03	Feb 03	Nov 02	Jul 02	May 02
																SHARE SUMMARY 9:00 AM - MIDNIGHT (%)							
KIDK	Idaho Falls	3	100	1,601	*36		C&P	KatzT	Fisher Bcstg Co	53	9906	g	3,400	0.91	31%	12	14	11	13	15	15	8	15
KPVI	Pocatello	6	100	1,529	*23	1	NBC	Blair	Sunbelt Comm Co	74	9511	g1	4,400	0.99	37%	16	15	16	15	16	17	15	20
KIFI-TV	Idaho Falls	8	316	1,519	* 9		ABC	Petry	Post Company	61			3,700	1.23	25%	11	13	10	10	11	13	9	11
KBEO	Jackson	11	22	1,073					KM Communications	01													
KFXP	Pocatello	31	2,140	1,467		1	FOX	Blair	Compass Comm of ID	98			500	0.60	7%	3	3	2	3	4	4	2	4
KJWY-TV	Jackson	2	1	997	14		NBC	Blair	Sunbelt Comm Co	90	9511	g1											
KWIB-LC			1				WB			98													
*KISU-TV	Pocatello	10	123	1,526	*17		PBS		ID State Bd of Ed	71						3	3	3	3	2	4	3	3
															TOTAL	45	48	42	44	48	53	37	53
															HUT %	30	30	25	29	32	31	26	26

Allocations: Ch 15, Ch 25, Pocatello; Ch 20, Idaho Falls

1/ Estimate not available. See page 6. 2/ EBI estimates are for previous year than noted in column header. 3/ See introduction section for interpretation of revenue estimates.

ATTACHMENT 3

Los Angeles, CA Market Overview

DMA Rank: 2
BIA Revenue Rank: 1

Demographic and Economic Overview

(000s, except Retail Sales and EBI in $000,000s)

	1998	2003	Growth Rate	2003	2008	Growth Rate
DMA Population	15,896	16,928	1.3%	16,928	18,202	1.5%
Households	5,207	5,481	1.0%	5,481	5,809	1.2%
Retail Sales	NA 1/	212,250	NA 1/	212,250	266,444	4.7%
EBI 2/	238,374	284,243	3.6%	284,243	329,067	3.0%

Pop Rank # 2	TV Households	5,402	White	53.9%	Avg Household	$ 51,861
HH Rank # 2	DMA Cable	61%	Black	7.6%	Per Capita	$ 16,791
RS Rank # 2	DMA ADS	22%	Asian	11.1%	Hispanic Origin	41.5%
EBI Rank # 2	DMA VCR	91%			DMA Counties	5

Market Television Financials

(all figures in 000's, except percentages and ratios)

ESTIMATED GROSS REVENUES ★★★

1998	1999	2000	2001	2002	2003	Δ 98 - 03
$1,463,000	$1,490,500	$1,604,400	$1,373,900	$1,495,000	$1,573,600	1.5%

Δ 02 - 03	2004	2005	2006	2007	2008	Δ 03 - 08
5.3%	$1,707,400	$1,741,500	$1,872,100	$1,909,600	$2,062,300	5.6%

Estimated Breakouts	% Network	% Natl/Regl	% Local
	0.6%	25.0%	74.4%

	1998	2003	2008
Revenue/Retail Sales	NA 1/	$7.41/1,000	$7.74/1,000
Revenue/Capita	$92.04	$92.96	$113.30

Los Angeles, CA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)		HAAT	DTV Ch	LMA	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '03 Revenue (000) 3/	Est Power Ratio	Avg '03 LCS	Feb 04	Nov 03	Jul 03	May 03	Feb 03	Nov 02	Jul 02	May 02
KCBS-TV	Los Angeles	2	36		3,599	•60		CBS	CBSTV	CBS/Viacom	48	0005	g	150,000	0.95	10%	7	8	5	6	6	7	5	7
KNBC	Los Angeles	4	44		3,229	•36		NBC	NBC	NBC/GE	49	8606	g	250,000	1.13	14%	9	9	7	8	8	9	8	12
KTLA-TV	Los Angeles	5	45		3,202	•31		WB	TelRp	Tribune Bcstg Co	47	8512	510,000	151,000	0.96	10%	5	6	5	6	6	6	6	6
KABC-TV	Los Angeles	7	141		3,209	•53		ABC	ABC	ABC/Disney	49	9602	g	247,000	0.92	17%	11	10	8	10	11	11	9	11
KCAL-TV	Los Angeles	9	141		3,183	•43		IND	Blair	CBS/Viacom	48	0206	650,000	110,000	1.00	7%	4	4	4	3	4	4	5	5
KTTV	Los Angeles	11	166		2,940	•65		FOX	Petry	Fox Television	49	8511	g	251,000	1.33	12%	6	7	6	7	7	7	6	7
KCOP	Los Angeles	13	161	cp	2,973	•66		UPN	KatzT	Fox Television	48	0107	g	103,000	1.31	5%	3	3	3	3	3	3	4	4
KSCI	Long Beach	18	2,583		2,950	•61		IND	Asian	International Media	77	8612	40,500	1,400										
KWHY-TV	Los Angeles	22	2,630		2,917	•42		TEL	Telmn	NBC/GE	63	0204	g	40,000	0.85	3%	2	2	1	2	2	2	1	1
KPXN	San Bernardino	30	3,800		2,346	38		PAX		Paxson Comm Corp	93	9504	18,000	8,500										
KVMD	Twentynine Palms	31	12		295	•23		IND		KVMD Acquisition	96	0303	900											
KMEX-TV	Los Angeles	34	2,291		3,137	•35		UNI	UNI	Univision Comm Inc	62	9212	g	148,000	0.78	12%	8	8	7	7	7	6	6	6
KTBN-TV	Santa Ana	40	631		2,891	23		TBN		Trinity Bcstg Ntwk	67	7408												
KXLA	Rancho Palos Ver	44	2,354	cp	3,114	•51		IND		KXLA TV 44 Inc	NOA	0108												
KFTR	Ontario	46	2,291	cp	3,137	47		TLF		Univision Comm Inc	84	0106	g	28,000	0.59	3%	3	2	2	2	2	1		2
KVEA	Corona	52	2,510		2,976	•39		TEL	Telmn	NBC/GE	66	0204	g	52,000	0.83	4%	2	2	3	2	3	2	3	3
KAZA-TV	Avalon	54	2,290		3,271			AZT		Pappas Telecasting	01										1			
KDOC	Anaheim	56	2,340	cp	3,114	32		IND		Golden Orange Bcstg	82			17,500										
KJLA	Ventura	57	5,000		1,739	•49		IND		LAtv LLC	90			5,500										
KRCA	Riverside	62	2,630		2,936	•68		IND		Liberman Bcstg Inc	88	9708	60,000st	10,700	0.34	2%	1	2	1	2	1			
KHIZ	Barstow	64	5,000	cp	1,568	44		IND		Sunbelt TV Inc	87													
K68CW	Lucerne Valley	47	1	cp	641			UPN		Birach Broadcasting	78	0312 p	na											
•KVCR-TV	San Bernardino	24	1,320		1,670	26		PBS		SB Comm College Dist	62													
•KCET	Los Angeles	28	2,450		3,041	•59		PBS		Community TV of S CA	64													
●•KOCE-TV	Huntington Beach	50	2,354	cp	3,114	•48		PBS		KOCE-TV Foundation	72	0404 p	25,500				3	3	3	3	3	3	3	3
•KLCS	Los Angeles	58	2,570		2,953	•41		PBS		LA Unified Schl Dist	73													
																TOTAL	64	66	55	61	64	61	56	67
																HUT %	46	47	44	45	48	46	44	44

● Indicates a change since last edition
1/ Estimate not available. See page 6. 2/ EBI estimates are for previous year than noted in column header. 3/ See introduction section for interpretation of revenue estimates.

ATTACHMENT 4

BIA fn

Boise, ID Market Overview

DMA Rank: 123
BIA Revenue Rank: 110

Demographic and Economic Overview

(000s, except Retail Sales and EBI in $000,000s)

	1998	2003	Growth Rate	2003	2008	Growth Rate
DMA Population	523	618	3.4%	618	684	2.1%
Households	193	224	3.0%	224	249	2.1%
Retail Sales	NA 1/	7,910	NA 1/	7,910	9,694	4.2%
EBI 2/	8,082	9,961	4.3%	9,961	12,592	4.8%

Pop Rank # 121	**TV Households**	222	**White**	88.7%	**Avg Household**	$ 44,422
HH Rank # 123	**DMA Cable**	40%	**Black**	0.7%	**Per Capita**	$ 16,130
RS Rank # 112	**DMA ADS**	29%	**Asian**	1.5%	**Hispanic Origin**	10.4%
EBI Rank # 115	**DMA VCR**	93%			**DMA Counties**	13

Market Television Financials

(all figures in 000's, except percentages and ratios)

ESTIMATED GROSS REVENUES ★★★	1998	1999	2000	2001	2002	2003	Δ 98 - 03
	$33,200	$34,100	$36,000	$32,000	$33,900	$33,100	-0.1%
	Δ 02 - 03	**2004**	**2005**	**2006**	**2007**	**2008**	**Δ 03 - 08**
	-2.2%	$35,600	$36,100	$38,600	$39,200	$42,200	5.0%

Estimated Breakouts	% Network	% Natl/Regl	% Local
	1.3%	32.3%	66.4%

	1998	2003	2008
Revenue/Retail Sales	NA 1/	$4.18/1,000	$4.35/1,000
Revenue/Capita	$63.48	$53.56	$61.70

Boise, ID Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	DTV Ch	LMA	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '03 Revenue (000) 3/	Est Power Ratio	Avg '03 LCS
KBCI-TV	Boise	2	65	2,549	•28		CBS	KatzT	Fisher Bcstg Co	53	9906	g	6,500	0.98	20%
KIVI	Nampa	6	56	2,809	•24		ABC	Blair	Journal Comm Inc	74	0112	21,500c1	4,500	0.80	17%
KTVB	Boise	7	195	2,651	•26		NBC	Blair	Belo Corp	53	9702	g	13,200	0.97	41%
KNIN-TV	Caldwell	9	162	2,690	•10		UPN	Blair	Banks Bcstg Inc	92	0104		2,800	1.06	8%
KTRV	Nampa	12	178	2,720	44		FOX	Mllmn	Block Communications	81	8504	4,900	6,100	1.32	14%
KWOB-LC			1				WB			98					
•KAID	Boise	4	58	2,474	•21		PBS		ID State Bd of Ed	71					

SHARE SUMMARY 9:00 AM - MIDNIGHT (%)

Calls	Feb 04	Nov 03	Jul 03	May 03	Feb 03	Nov 02	Jul 02	May 02
KBCI-TV	11	12	9	11	12	12	9	10
KIVI	10	11	8	9	9	12	10	11
KTVB	24	24	21	21	23	25	21	23
KNIN-TV	4	4	4	5	5	3	5	5
KTRV	6	8	7	8	9	7	7	7
KWOB-LC								
•KAID	5	4	5	4	4	4	5	4
TOTAL	**60**	**63**	**54**	**58**	**62**	**63**	**57**	**60**
HUT %	30	33	27	28	32	30	25	28

Allocations: Ch 14, Boise

1/ Estimate not available. See page 6. 2/ EBI estimates are for previous year than noted in column header. 3/ See introduction section for interpretation of revenue estimates.